

House File 564 - Reprinted

HOUSE FILE 564
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 178)

(As Amended and Passed by the House March 15, 2017)

A BILL FOR

1 An Act relating to school district funding and authorized
2 expenditures and transfers and including effective date,
3 applicability, and retroactive applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

DIVISION I

PROFESSIONAL DEVELOPMENT

Section 1. Section 284.6, subsections 8 and 9, Code 2017, are amended to read as follows:

8. For each year in which a school district receives funds calculated and paid to school districts for professional development pursuant to [section 257.10, subsection 10](#), or [section 257.37A, subsection 2](#), the school district shall create quality professional development opportunities. Not less than thirty-six hours in the school calendar, held outside of the minimum school day, shall be set aside during nonpreparation time or designated professional development time to allow practitioners to collaborate with each other to deliver educational programs and assess student learning, or to engage in peer review pursuant to [section 284.8, subsection 1](#). The funds may be used to implement the professional development provisions of the teacher career paths and leadership roles specified in [section 284.15](#), including but not limited to providing professional development to teachers, including additional salaries for time beyond the normal negotiated agreement; pay for substitute teachers, professional development materials, speakers, and professional development content; textbooks and curriculum materials used for classroom purposes if such textbooks and curriculum materials include professional development; administering assessments pursuant to [section 256.7, subsection 21, paragraph "b", subparagraphs \(1\) and \(2\)](#), if such assessments include professional development; and costs associated with implementing the individual professional development plans. The use of the funds shall be balanced between school district, attendance center, and individual professional development plans, making every reasonable effort to provide equal access to all teachers.

9. Moneys received pursuant to [section 257.10, subsection 10](#), or [section 257.37A, subsection 2](#), shall be maintained as a separate listing within a school district's or area

1 education agency's budget for funds received and expenditures
2 made pursuant to [this subsection](#). The department shall not
3 require a school district or area education agency to allocate
4 a specific amount or percentage of moneys received pursuant to
5 section 257.10, subsection 10, or section 257.37A, subsection
6 2, for professional development related to implementation of
7 the core curriculum under section 256.7, subsection 26. A
8 school district shall certify to the department of education
9 how the school district allocated the funds and that moneys
10 received under [this subsection](#) were used to supplement, not
11 supplant, the professional development opportunities the school
12 district would otherwise make available.

13 Sec. 2. EFFECTIVE UPON ENACTMENT. This division of this
14 Act, being deemed of immediate importance, takes effect upon
15 enactment.

16 Sec. 3. APPLICABILITY. This division of this Act applies to
17 school budget years beginning on or after July 1, 2017.

18 DIVISION II

19 AT-RISK AND DROPOUT PREVENTION

20 Sec. 4. Section 257.11, subsection 4, paragraph d, Code
21 2017, is amended to read as follows:

22 ~~d. Up to five percent of the total amount~~ Amounts that a
23 school district receives as supplementary weighting pursuant
24 to [this subsection](#) or as a modified supplemental amount
25 received under [section 257.41](#) may be used in the budget year
26 for purposes of providing district-wide, ~~or~~ building-wide,
27 or grade-specific at-risk and dropout prevention programming
28 targeted to pupils who are not deemed at risk.

29 Sec. 5. Section 257.41, subsection 2, paragraphs a and b,
30 Code 2017, are amended to read as follows:

31 *a.* Salary and benefits for instructional staff,
32 instructional support staff, guidance counselors, and
33 school-based youth services staff who are working with
34 students who are participating in at-risk or dropout prevention
35 programs, alternative programs, and alternative schools, in a

1 traditional or alternative setting, if the staff person's or
2 counselor's time is dedicated to working with such students in
3 order to provide services beyond those which are provided by
4 the school district to students who are not participating in
5 such programs or alternative schools. However, if the staff
6 person or counselor works part-time with students who are
7 participating in a program or alternative school and the staff
8 person or counselor has another unrelated staff assignment,
9 only the portion of the staff person's or counselor's time
10 that is related to the program or alternative school may
11 be charged to the program or school. For each such staff
12 person or counselor who works part time with students who
13 are participating in a program or alternative school, the
14 school district shall have the authority to designate the
15 portion of the staff person's or counselor's time and the
16 corresponding amount of salary and benefits that is related
17 to the program or alternative school and shall include
18 such designation as part of the program plan under section
19 257.38, if applicable. For purposes of this paragraph, if
20 an alternative setting is necessary to provide for a program
21 which is offered at a location off school grounds and which
22 is intended to serve student needs by improving relationships
23 and connections to school, decreasing truancy and tardiness,
24 providing opportunities for course credit recovery, or helping
25 students identified as at risk to accelerate through multiple
26 grade levels of achievement within a shortened time frame, the
27 tuition costs for a student identified as at risk shall be
28 considered an appropriate use of the program funding under this
29 section.

30 *b.* Professional development for all teachers, counselors,
31 and staff working with at-risk students under a program or an
32 alternative school setting.

33 Sec. 6. Section 257.41, subsection 2, Code 2017, is amended
34 by adding the following new paragraphs:

35 NEW PARAGRAPH. *d.* Costs incurred for a program intended

1 to address high rates of absenteeism, truancy, or frequent
2 tardiness.

3 NEW PARAGRAPH. *e.* Costs incurred for programs authorized
4 under section 257.11, subsection 4, paragraph "d".

5 Sec. 7. EFFECTIVE UPON ENACTMENT. This division of this
6 Act, being deemed of immediate importance, takes effect upon
7 enactment.

8 Sec. 8. APPLICABILITY. This division of this Act applies to
9 school budget years beginning on or after July 1, 2017.

10 DIVISION III

11 SCHOOL DISTRICT FLEXIBILITY

12 Sec. 9. Section 257.10, Code 2017, is amended by adding the
13 following new subsection:

14 NEW SUBSECTION. 13. *Deference to school districts.*

15 *a.* When exercising authority to carry out an agency
16 action, as defined in section 17A.2, or to perform an activity
17 or make a decision specified in section 17A.2, subsection
18 11, paragraphs "a" through "l", if applicable, related to
19 the provisions of subsections 9, 10, and 11, including the
20 expenditure of funds received by school districts under
21 subsections 9, 10, and 11, the department of education, the
22 director of the department of education, and the state board
23 of education shall carry out, perform, or make such agency
24 action, activity, or decision in a manner that gives deference
25 to decisions of school districts' boards of directors, promotes
26 flexibility for school districts, and minimizes intrusions into
27 school district operations and decision making by boards of
28 directors.

29 *b.* (1) In addition to paragraph "a", the department of
30 education, the director of the department of education, and
31 the state board of education shall not issue guidance related
32 to the provisions of subsections 9, 10, and 11, including
33 the expenditure of funds received by a school district under
34 subsections 9, 10, and 11, that is inconsistent with any
35 statute, rule, or other legal authority or that imposes any

1 legally binding obligations or duties upon any person unless
2 such legally binding obligations or duties are required
3 or reasonably implied by any statute, rule, or other legal
4 authority. Guidance issued in violation of this paragraph "b"
5 shall not be deemed to be legally binding.

6 (2) For the purposes of this paragraph "b", "guidance" means
7 a document or statement issued by the department of education,
8 the director of the department of education, or the state
9 board of education that purports to interpret a law, a rule,
10 or other legal authority and is designed to provide advice
11 or direction to a person regarding the implementation of or
12 compliance with the law, the rule, or the other legal authority
13 being interpreted. "Guidance" does not include any action,
14 activity, or decision governed by paragraph "a", a document or
15 statement required by federal law or a court, or a document or
16 statement issued in the course of a contested case proceeding,
17 an administrative proceeding, or a judicial proceeding to which
18 the department, the state board, or the director is a party.

19 Sec. 10. EFFECTIVE UPON ENACTMENT. This division of this
20 Act, being deemed of immediate importance, takes effect upon
21 enactment.

22 Sec. 11. APPLICABILITY. This division of this Act applies
23 to school budget years beginning on or after July 1, 2017.

24 DIVISION IV

25 PRESCHOOL PROGRAM

26 Sec. 12. Section 256C.4, subsection 1, paragraph e, Code
27 2017, is amended to read as follows:

28 e. Preschool foundation aid funding shall not be used for
29 the costs of constructing a facility in connection with an
30 approved local program. Preschool foundation aid funding may
31 be used by approved local programs and community providers
32 for any purpose determined by the board of directors of the
33 school district to meet standards for high-quality preschool
34 instruction and for purposes that directly or indirectly
35 benefit students enrolled in the approved local program,

1 including but not limited to professional development for
 2 preschool teachers, ~~for~~ instructional equipment and supplies,
 3 ~~for~~ material and equipment designed to develop pupils' large
 4 and small motor skills, translation services, playground
 5 equipment and repair costs, food and beverages used by children
 6 in the approved local program, facility rental fees, and for
 7 other direct costs that enhance the approved local program,
 8 including by contracting with community partners for any
 9 such services. Preschool foundation aid funding may be used
 10 by approved local programs for the costs of transportation
 11 involving children participating in the preschool program.
 12 The costs of transporting other children associated with the
 13 preschool program or transported as provided in section 256C.3,
 14 subsection 3, paragraph "h", may be prorated by the school
 15 district. Preschool foundation aid funding received by an
 16 approved local program that remain unexpended or unobligated
 17 at the end of a fiscal year shall be used to build the approved
 18 local program's preschool program capacity in the next
 19 succeeding fiscal year.

20 Sec. 13. EFFECTIVE UPON ENACTMENT. This division of this
 21 Act, being deemed of immediate importance, takes effect upon
 22 enactment.

23 Sec. 14. APPLICABILITY. This division of this Act applies
 24 to school budget years beginning on or after July 1, 2017.

25 DIVISION V

26 PHYSICAL PLANT AND EQUIPMENT LEVY

27 Sec. 15. Section 298.3, subsection 1, paragraph i, Code
 28 2017, is amended to read as follows:

29 *i.* The purchase of transportation equipment for
 30 transporting students and the repair of such transportation
 31 equipment ~~if the cost of the repair exceeds two thousand five~~
 32 ~~hundred dollars.~~ For the purposes of this paragraph, "repair"
 33 means restoring an existing item of equipment to its original
 34 condition, as near as may be, after gradual obsolescence or
 35 physical and functional depreciation due to wear and tear,

1 corrosion and decay, or partial destruction, and includes
2 maintenance of an item of equipment.

3 Sec. 16. EFFECTIVE UPON ENACTMENT. This division of this
4 Act, being deemed of immediate importance, takes effect upon
5 enactment.

6 Sec. 17. APPLICABILITY. This division of this Act applies
7 to school budget years beginning on or after July 1, 2017.

8 DIVISION VI

9 STUDENT ACTIVITY FUND

10 Sec. 18. Section 298A.8, Code 2017, is amended to read as
11 follows:

12 **298A.8 Student activity fund.**

13 1. The student activity fund is a special revenue fund.
14 A student activity fund must be established in any school
15 corporation receiving money from student-related activities
16 such as admissions, activity fees, student dues, student
17 fund-raising events, or other student-related cocurricular or
18 extracurricular activities. Moneys in this fund shall be used
19 to support only the cocurricular program defined in department
20 of education administrative rules.

21 2. For school budget years beginning on or after July 1,
22 2016, the board of directors of a school corporation may,
23 by board resolution, transfer from the school corporation's
24 general fund to the student activity fund an amount necessary
25 to purchase protective and safety equipment required for any
26 extracurricular interscholastic athletic contest or competition
27 that is sponsored or administered by an organization as defined
28 in section 280.13.

29 Sec. 19. EFFECTIVE UPON ENACTMENT. This division of this
30 Act, being deemed of immediate importance, takes effect upon
31 enactment.

32 Sec. 20. RETROACTIVE APPLICABILITY. This division of this
33 Act applies retroactively to July 1, 2016, for school budget
34 years beginning on or after that date.